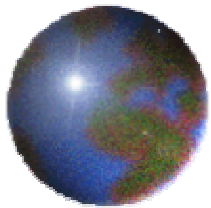


A vertical collage of various items on the left side of the slide, including a red lei, a yellow lei, a small vase, a map, a golf club, and a small flag.

2004 Hawaii Annual Tourism Marketing Plan Rollout Meetings

Hawaii Tourism Authority
November 17-21, 2003



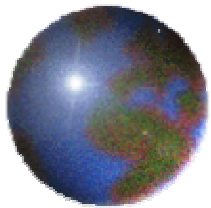
2004 Marketing Plan Rollout Meetings

Other Asia MMA

November 17, 2004

**Marketing
Garden**

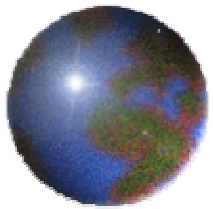




Agenda

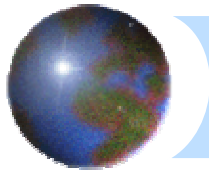
- 1. Asia Overview***
- 2. Strategy Summary***
- 3. Mktg. Program Highlights***
- 4. Intended Results***
- 5. Opportunities to Partner***





Asia Overview



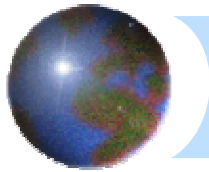


Market Overview

Asia Market Overview:

- ✦ **Marketing to a population more than 7 times greater than the United States**
- ✦ **Covering a region more than 3 times the geographic area of the United States**
- ✦ **Consisting of 5 completely disparate markets and over 20 countries**
- ✦ **Given huge region size and limited budget, critically important to allocate resources strategically for maximum impact**





Market Overview

Opportunities:

China:

- 16.6 million traveling overseas in 2002, record numbers
- 37% increase over 2001, fivefold increase in past 10 years, with further fivefold increase projected by 2010
- By 2020, the WTO predicts China will become a top outbound tourism market, with 100 million tourists – including a massive 3 million long-haul pleasure travelers

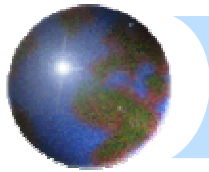
Korea:

- New Zealand has increased travel from Korea from 17,000 pax in 1998 to 110,000 in 2002 – it can be done
- The potential market for Hawaii in Korea is huge once visa issues have been resolved

Taiwan, Hong Kong, Singapore:

- Long haul outbound travel has completely recovered since SARS
- Aggressive campaigns by other destinations in Taiwan, Singapore, and Hong Kong validate the market recovery



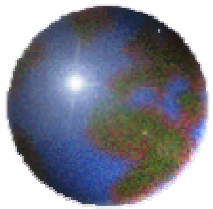


Market Overview

Challenges:

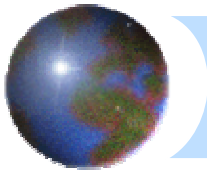
- ✦ **Lack of ADS Approval:** main barrier to development of Hawaii tourism in China -- even playing-field, however, for business travel, VFR, study trips
- ✦ **Visa Issues:** Complexity of securing US visas is major competitive disadvantage in Korea, China, and Taiwan
- ✦ **Airlift:** Lack of non-stop air access is major issue to be addressed
- ✦ **Competition:** fierce competition with large budgets and aggressive marketing by Thailand, Malaysia, Hong Kong, Singapore, Australia, New Zealand, Canada, Germany, Japan
- ✦ **Conclusion:** the key is how to position Hawaii more aggressively against these formidable competitors





Asia Strategy



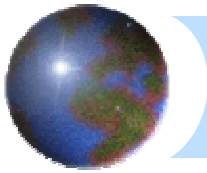


Strategy

Key Goals:

- ✦ **To position Hawaii as the compelling choice, our marketing plan is designed to achieve the goals of the Ke Kumu Strategic Plan:**
 - ❑ **Promote Hawaii as the preferred destination**
 - ❑ **Increase awareness and presence of mind to globally competitive levels**
 - ❑ **Stimulate demand in shoulder periods**
 - ❑ **Leverage resources by collaborating with partners**
 - ❑ **Target active visitors to support increased visitor expenditures**
 - ❑ **Support television initiatives that showcase Hawaii**



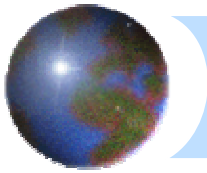


Strategy

Key Strategies:

- ✪ **To achieve the above goals, our 14 key strategies in the Other Asia MMA are as follows:**
 - 1. Define Primary Geographic Focus**
 - 2. Define Secondary Geographic Focus**
 - 3. Target Mass Markets and Key Niche Markets**
 - 4. Build Brand name/image**
 - 5. Raise Visibility/Profile**
 - 6. Develop Clear Key Messages for each market**

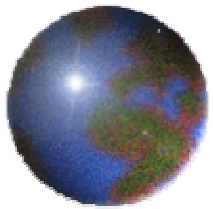




Key Strategies (cont.):

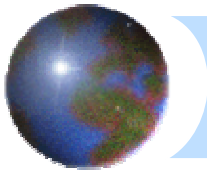
- 7. Expand Travel Trade Relationships**
- 8. Increase Media Coverage**
- 9. De-emphasize High Cost Advertising**
- 10. Increase Shoulder Season Travel**
- 11. Increase Visitor Expenditure**
- 12. Develop Airlift Capacity**
- 13. Support Government Relations**
- 14. Conduct Intensive Research**





Asia Marketing Program -- Highlights





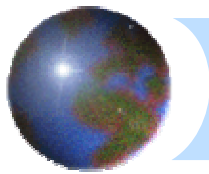
Work Plan

Work Plan:

✦ To implement the 14 strategies described above, our Work Plan covers the following 5 major planned activities in Asia:

- ❑ Travel trade marketing/sales
- ❑ Public relations/Media Promotions
- ❑ Consumer Marketing/Advertising
- ❑ Research/Reporting
- ❑ Other Strategic Initiatives



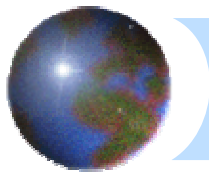


Work Plan

Key Activities:

1. ***Expand Travel Trade Relationships:*** daily sales calls, monthly newsletter, travel trade workshops, trade web-site, minimum of 4 travel trade fam trips per year, 6 major consumer/travel trade fairs
2. ***Increase Media Coverage:*** three press offices, monthly press releases , monthly media newsletter, media interviews, 12 major media trips, clipping
3. ***Aggressive Consumer Marketing:*** tie-up advertising, advertorial, strategic tie-ups, media promotions, multi-language website
4. ***Intensive Market Research:*** Economic, competitive, travel monthly reports, media and trade research as basis of action plans
5. ***Strategic Initiatives:*** coordination with Island Bureaus, HCTA, KVA, airlines, agencies, strategic partners





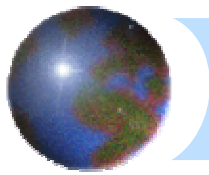
Work Plan

A. Travel Trade Marketing



- ✿ **Work aggressively with the travel trade to increase number/quality/capacity of Hawaii packages/FIT travel**
- ✿ **Sales calls (All markets)**
- ✿ **6 major annual trade/consumer fairs (All markets)**
- ✿ **Hawaii Tourism Seminars/Workshops (China. Korea, Taiwan)**
- ✿ **4 major annual fam tours for travel trade (All markets)**
- ✿ **Monthly travel trade newsletter (All markets)**
- ✿ **Crisis management plan (All markets)**





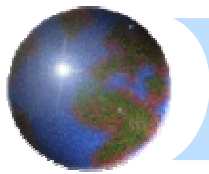
Work Plan

B. Public Relations/ Media Promotions



- ❖ Low-cost/high-impact publicity campaign
- ❖ Value (equivalent advertising value) to exceed at least ten times cost of securing coverage
- ❖ Press office/inquiry handling (Shanghai, Seoul, Taipei)
- ❖ Monthly press releases (China, Korea, Taiwan)
- ❖ Monthly media newsletter (All markets)
- ❖ Media Interviews (All markets)
- ❖ 12 major annual media trips (All markets)
- ❖ Media monitoring (China, Korea, Taiwan)





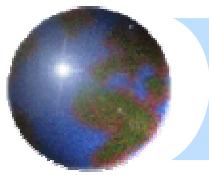
Work Plan

C. Consumer Marketing/ Advertising



- ✿ Provide stream of destination information to travelers, media, travel trade, strategic partners
- ✿ Inquiry Response (All markets)
- ✿ Dedicated HTA phone lines (Shanghai, Seoul, Taipei)
- ✿ Visual library (Shanghai, Seoul, Taipei)
- ✿ Multilingual web-site as an active marketing tool
- ✿ Establish branding/key messages (All markets)
- ✿ Tie-up advertising/advertorial (All markets)





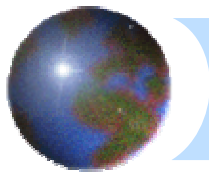
Work Plan

D. Research & Reporting



- ✿ **Conduct market research identifying Asia marketing opportunities and weaknesses**
- ✿ **Monthly Activity Report**
- ✿ **Monthly Market Report**
- ✿ **Monthly Economic Report**
- ✿ **Travel Trade/Media Research -- in-depth survey of leading agents, travel trade/consumer media**
- ✿ **Research based marketing plan**





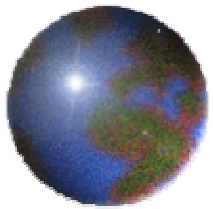
Work Plan



E. Other Strategic Initiatives

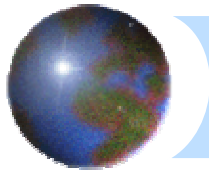
- ❁ **Communicate actively with Island Bureaus, Hawaii Chinese Tourism Association (HTCA), Korean Visitor Association (KVA), and other key stakeholders in Hawaii**
- ❁ **Negotiate strategic partnerships with travel trade players to establish joint Hawaii promotion**
- ❁ **Establish tie-up media partnerships with strategic partners to extend reach of limited budget**
- ❁ **Airline/government agency relations**





Asia Intended Results

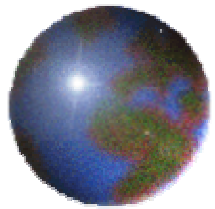




Key results

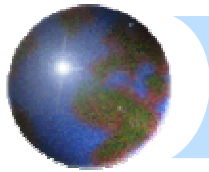
1. ***Expanded Travel Trade Relationships:*** 4,700 agents in Korea, 65 major agents in China, top 5 wholesalers in Taiwan, major airlines in each market are our key partners to market to this massive market → *educate and motivate*
2. ***Increased Media Coverage:*** dramatically raise profile and visibility for Hawaii as a destination in print and electronic media in China, Korea, and to a lesser extent, Taiwan → *consumers highly susceptible to media power*
3. ***Low-cost Consumer Marketing:*** secure tie-up partnerships given limited budget → *rely primarily on media and agents*
4. ***Research-driven marketing:*** all marketing activities based on intensive research with key constituents → *feedback from media and travel trade to tailor marketing plans*
5. ***Strategic Initiatives:*** coordinate closely with Island Bureaus, HCTA, KVA, airlines, agencies, strategic partners





Opportunities to Partner



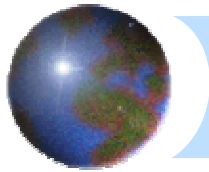


Opportunity Summary

Opportunities in Hawaii:

- **Monthly E-mail blast to Island Bureaus and members soliciting product/campaign news for distribution in Asia**
- **Local liaison office in Honolulu to support coordination of group media trips, travel trade fam trips, and to act as communication liaison**
- **A minimum of 4 major travel trade Fam Trips per year to Hawaii for key planners in China, Korea, and Taiwan**
- **Mini Trade shows in Hawaii with Asian travel trade during these fam trips**
- **A minimum of 4 major group media trips by Asian media with monthly smaller scale media trips**
- **Promotional Events involving local communities – Chinese Festival, Korean Immigration Memorial Festival**
- **Special Events Promotions — Marathons. Festivals, etc.**



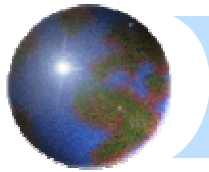


Opportunity Summary

Opportunities in Asia:

- **Monthly newsletter with vendor news/campaigns etc. sent to over 1000 wholesalers and media in each Asian market**
- **New web power with event calendar, news updates monthly**
- **Participation opportunities in 3 major and 4-5 minor Travel Trade/Consumer Shows in Asia**
- **Aloha Cities Seminars in Seoul, Shanghai, and Taipei**
- **Special Events Promotions — Marathons, Festivals, etc.**
- **Promotional Events involving local communities – Chinese Festival, Korean Immigration Memorial Festival**
- **Monthly update E-mail blast sent to all Island Bureaus and members to update on activities/opportunities in Asia**



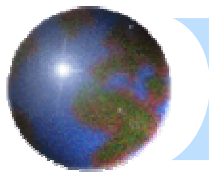


Opportunity Summary

Island Bureau joint marketing:

- **We will act as eyes, ears, hands, and feet for the Island Bureaus throughout Asia**
- **Encourage vendors to participate in Aloha Cities Seminars in Seoul, Shanghai, Taipei**
- **Representation in Travel Trade/Consumer Shows in Asia**
- **Press trip support for key Asian media**
- **Fam Trip support for key Travel Wholesalers**
- **Mini Trade shows in Hawaii in conjunction with Fam Trips**
- **Special Events Promotions — Marathons, Chinese Festival, Korean Immigration Memorial Festival etc.**

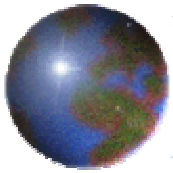




Summary

- ✦ **Market Potential:** massive
- ✦ **Challenges:** complex visa and airlift issues to be resolved over time
- ✦ **Relationships:** establish key travel trade networks and relationships – both for immediate growth in visitor numbers and as a vital foundation for future growth
- ✦ **Image:** tremendous potential to raise the visibility of Hawaii as a destination by partnering aggressively with key media in each market throughout Asia
- ✦ **Infrastructure:** marketing offices in Seoul, Shanghai, and Taipei, with specialized travel trade marketing and media staff in each office hitting the streets every day -- will secure results
- ✦ **Targets:** to drive increased passenger traffic from Asia to Hawaii in 2004 -- position Hawaii aggressively in what is the world's largest travel market of the coming decade





Marketing Garden

